

# PSD2 & Third-Party Payment Services

## What has changed?

The revised Payment Services Directive, known as PSD2, introduces two new categories of payment services:

- Account information services:** an account aggregation service, allowing customers to see account information from a number of providers in a single place
- Payment initiation services:** allowing Third-Party Payment Providers (TPPs) to initiate payments from accounts held by a third-party payment service provider (PSP) at the request of their customer

## Why is this important?

The introduction of these new categories could:

- increase competition
- reduce existing PSPs to mere utility providers
- expose PSPs to significant liability risk

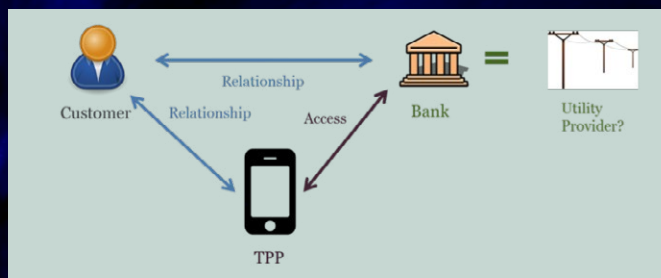
## Obligations on Banks

Under the new rules:

- The new TPPs must be given access to accounts to obtain account information and initiate payments on behalf of the customer
- Account servicing PSPs will need to design systems and processes to provide access and will remain responsible for unauthorised and incorrect transactions

## Threats to Banks

TPPs will come between the customer and their PSP and potentially take over that relationship:



## Opportunities

TPPs can also represent an opportunity to established players to:

- take advantage of their large and loyal customer base
- provide new services for their existing customers
- take custom from mainstream rivals

## Find out more

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For any advice about the world of payments and what it means for you, contact:



**Emily Reid**  
Partner, London  
T +44 20 7296 5362  
[emily.reid@hoganlovells.com](mailto:emily.reid@hoganlovells.com)



**Jonathan Chertkow**  
Partner, London  
T +44 20 7296 2191  
[jonathan.chertkow@hoganlovells.com](mailto:jonathan.chertkow@hoganlovells.com)



**Roger Tym**  
Partner, London  
T +44 20 7296 2470  
[roger.tym@hoganlovells.com](mailto:roger.tym@hoganlovells.com)